

## **Background Memo No 1 – to Agenda Item #8**

July 6, 2011 was the 7th anniversary of the publication of the article in the Great Britain Daily Express which identified the elimination of pensions as a "bigger threat than terrorism" to British society.

The California Actuarial Advisory Panel has the credentials to plant the seed to overcome the problem in California, to set the stage to overcome the problem in the USA, Great Britain and in the rest of the free world.

We can't count on voluntary savings as suggested by Tory David Willetts. There must be a legislated savings mandate to avoid the eventual need for taxpayer support of those who will be living in poverty. The CAAP has the ingenuity, the background experience and the pension "issues" mandate to address the crisis.

No less an entity than the recently created National Institute of Retirement Security, to which the major retirement associations, NASRA, NCTR and NCPERS have given their allegiance, has identified this matter as the major concern to face the nation.